

# LONG TERM BUSINESS VISA

## 1. Introduction

- 1.1 The aim of the long term business visa/permit category is to cater for business people who are interested in establishing a business in New Zealand:
- a. Without living permanently in New Zealand; or
  - b. With the intention of enabling themselves to meet the relevant criteria for residence.

## 2. Business Establishment

- 2.1 There is a very important distinction between the “ Migrant Investment Category” and the Long Term Business Permit Category. Under the Migrant Investor Category, an applicant can obtain a permanent **residence visa/permit** from approval of the application and completing certain formalities. A Long Term Business Visa is a special category of **work permit** which allows applicants multiple entry to work on a self employed basis for up to 3 years. It is not a permanent residence visa/permit.
- 2.2 An applicant has up to 3 years to establish a business and , if the business has been "successfully" established, may apply for permanent residence in New Zealand.
- 2.3 After 2 years and the establishment of a successful business, permanent residence may be applied for under the Entrepreneur Category. This is explained in more detail at the back of this document.

## 3. Summary of Key Requirements

- 3.1 An applicant for a Long Term Business Visa must:
- a. Have completed a business plan;
  - b. Have business experience relevant to the business proposal;
  - c. Not have been involved in bankruptcy or business failure within the 5 years preceding the date of application;
  - d. Not have been involved in business fraud or financial impropriety;
  - e. Have obtained professional occupational registration in New Zealand if registration is required for operating the proposed business;
  - f. Have in addition to investment capital, sufficient funds for their maintenance and accommodation in New Zealand including any partner and dependent children who have applied for temporary visas and/or permits to accompany the principal applicant to New Zealand;
  - g. Meet the health and character requirements policy both at the time of application and again when applying for permanent residence under the Entrepreneur Category;
  - h. Meet the minimum standard of English;
  - i. Satisfy Immigration New Zealand ("INZ") that they are genuinely interested in establishing the business in New Zealand.

#### 4. **Business Plan**

4.1 A critical part of this type of application is the quality of the business plan. Wynn Williams & Co can provide the services of a specialist accountant for this purpose.

4.2 Business plans **must**:

- a. Be no more than 3 months old on the date the application is made;
- b. Include satisfactory evidence that the applicant has sufficient capital to finance its business proposal;
- c. Include realistic financial forecasts;
- d. Include evidence to satisfy INZ that the principal applicant has business experience that is relevant to its business proposal;
- e. Demonstrate to the satisfaction of INZ the applicant's knowledge about the proposed business and New Zealand's business environment;
- f. Includes information about how the proposed business will "benefit" New Zealand and includes sufficient supporting documentation.

4.3 INZ will consider the credibility of the information and may have the business plan independently assessed.

#### 5. **Benefit to New Zealand**

5.1 A business may be considered to benefit New Zealand if it promotes New Zealand's economic growth through, for example:

- a. Introducing new or enhancing existing technology management or technical skills; or
- b. Introducing new or enhancing existing products or services; or
- c. Creating new or expanding existing export markets; or
- d. Creating employment (other than employment for the applicant and its family); or
- e. Revitalising an existing business; and
- f. In the opinion of INZ, it appears likely that the business will be trading profitably within 3 years or has the potential to be trading profitably within 12 months after the application is made.

5.2 Please note that it is not necessary to establish all of the points above. One of the examples may suffice.

5.3 The following are some examples that may provide useful guidance where benefit to New Zealand will be considered favourably in terms of the points listed above:

- a. Where an existing business will be expanded through new investment;
- b. Identifying a niche market where there is a gap in the current market, especially providing a new service/facility/industry in a region where there is local support for the introduction of such a service/facility/interest;

- c. Providing investment in a region where there is a current shortage of investment. Could also be investment in an industry where there is an acknowledged shortage of such investment;
- d. Scale, where the investment in the business is at least \$1,000,000.00 and the investment will either create a new business or sustain an existing one (and the jobs of all New Zealander's currently employed);
- e. Where the business will make a contribution of the growth and innovation framework (ie. is it areas of creative industries, timber processing, biotechnology, food and beverage technology, manufacturing).

5.4 The best applications will have a combination of the above factors.

## 6. Funds for Maintenance and Accommodation

6.1 INZ must be satisfied that the applicant has in addition to their investment capital, access to sufficient funds or assets to provide for their maintenance and accommodation and that of any partner and dependants for the duration of the visa or permit.

6.2 Evidence may include, but is not limited to:

- a. Sufficient cash;
- b. New Zealand bank account showing sufficient current balance;
- c. Sufficient travellers cheques;
- d. Sufficient bank drafts;
- e. Recognised credit cards with sufficient credit available.

## 7. Validity of Work Visas and Permits

7.1 Successful applicants will be granted a 9 month work permit (with a multiple entry work visa) to allow them to establish and commence the operation of the business in New Zealand.

7.2 A further work permit may be granted (with corresponding multiple entry work visa issued) for the balance of the 3 year period (ie. 27 months) if the applicant applies within the validity of the current work permit/visa and INZ is satisfied that:

- a. The investment capital for the proposed business as stated in the business plan has been transferred to New Zealand; and
- b. Reasonable steps have been taken to establish or invest in the business set out in the business plan.

7.3 If INZ is not satisfied that their requirements have been met, but that they could if further time was granted, then a further work permit for a period of less than 27 months may be granted.

## 8. Conditions Specified on Visas

8.1 The conditions specified on the visa are that the permit will be for work:

- a. As: self employed;

- b. For: (proposed business type);
- c. At: (proposed location).

## 9. **Changing a Business Proposal**

9.1 It is possible with the consent of INZ to change certain aspects of a business proposal. Early advice from an immigration specialist is recommended for this purpose. Consent may be given if INZ is satisfied that:

- a. There are genuine reasons for abandoning the original business proposal;
- b. There is a plan for the proposed new business that meets the requirements for a business plan;
- c. The new business proposal requires the same level of capital investment as the original business proposal;
- d. The applicant has access to sufficient capital finance for the proposed new business;
- e. The applicant has business experience relevant to the proposed new business.

9.2 It is quite common with say farm properties to purchase in a different location or a different type of farm. A change of business proposal in these circumstances should generally be approved.

## 10. **Renewal of Work Permits and Visas Beyond 3 Years**

10.1 Further work permits may be granted beyond the initial 3 year period where INZ is satisfied that there are valid reasons for the applicant needing a further permit.

10.2 If the applicant is seeking a renewal for a period beyond the initial 3 years on the basis of a new business proposal, INZ may require that a new application is lodged.

10.3 Further work permits and visas will be granted or issued only where INZ is satisfied that:

- a. Any time in New Zealand has been spent setting up and operating the original business proposal; or
- b. Where there was a change to the original proposal, consent was granted for the change by INZ; and
- c. That the applicant and its family have not drawn on the New Zealand welfare system; and
- d. The applicant intends to spend a further period in New Zealand if it implements the original business proposal or subsequent business proposal for which INZ has given consent; and
- e. The applicant has, in addition to investment capital, access to sufficient funds for their maintenance and accommodation, including that of any partner and dependent children; and
- f. That the applicant and family meet the health and character requirements policy.

## 11. Residence

- 11.1 Residence visas/ permits may be applied for once a business has been successfully established under the Entrepreneur Category (refer to the following section).

### **PLEASE NOTE :**

- *Because the Long Term Business Visa is only a special category work visa, applicants purchasing farm land exceeding 5 hectares as part of their business plan are required to obtain consent from the Overseas Investment Office in Wellington, New Zealand to the purchase of farm land. These applications are conditional on the applicant obtaining a Long Term Business Visa and the applicant residing in New Zealand with the intention of residing in New Zealand indefinitely.*

# Entrepreneur Category

## 1. Objective

- 1.1 The objective of the Entrepreneur Category is to attract migrants who can demonstrate that they have been actively participating in business and contributing to New Zealand's economic development.
- 1.2 Applicants in this category are required to demonstrate that:
  - a. They have successfully established a business in New Zealand; and
  - b. The business is benefiting New Zealand in some way.
- 1.3 Therefore, once an applicant under the long term business visa/permit category has established a business for at least 2 years, they can apply for a residence visa/permit.

## 2. Successful Establishment of a Business in New Zealand

- 2.1 The applicants will be considered to have successfully established a business in New Zealand if they:
  - a. Have established or purchased or made a substantial investment in a business operating in New Zealand; and
  - b. Have complied with immigration and employment laws of New Zealand; and
  - c. Have been self employed in New Zealand in that business for at least 2 years.
  - d. The business is operating profitably.
- 2.2 Self employment is the lawful act of involvement in the management and operating of a business in New Zealand.
- 2.3 Evidence will be required that the business has been successfully established and is benefiting New Zealand. This may include, but is not limited to:
  - a. A Certificate of Incorporation of a company;
  - b. Audited accounts;
  - c. GST records;
  - d. Tax records;
  - e. Export/import documentation;
  - f. Employment records;
  - g. Other records.

### 3. **Residence Visas**

- 3.1 A residence visa allows the applicant and spouse and dependants multiple entry/exit to and from New Zealand.
- 3.2 After this approval, the applicant then has unrestricted permanent residence in New Zealand.
- 3.3 Note that the applicant, spouse and dependants will all need to show again that they meet health and character criteria at the time of applying for residency under the Entrepreneur Category.

### 4. **Entrepreneur Plus Policy**

- 4.1 A new Entrepreneur Plus Category is to be introduced in November 2009. This new Category will complement the existing Entrepreneur Category by offering a faster path to residence for applicants who create at least three fulltime jobs and invest at least \$500,000.00 in their business. The Entrepreneur Plus Category will be in addition to the existing Entrepreneur Category which will continue to operate.
- 4.2 There will be a new definition of "creating employment" to ensure that the jobs created are not just jobs for family members.
- 4.3 The new Entrepreneur Plus Category will enable INZ to prioritise top entrepreneurs. It will enable conditional residence to be available to applicants under this Category as soon as the requirements under the Category have been met rather than after 24 months as is the case under the current Entrepreneur Category.

## PROCESS - ENTREPRENEUR CATEGORY

